



Proposed Regulation Agency Background Document

Agency name	State Board of Social Services
Virginia Administrative Code (VAC) citation	22VAC40-661
Regulation title	Child Care Program
Action title	Revise regulation for programmatic changes and implementation of statewide automation
Date this document prepared	October 19, 2011

This information is required for executive branch review and the Virginia Registrar of Regulations, pursuant to the Virginia Administrative Process Act (APA), Executive Orders 14 (2010) and 58 (1999), and the *Virginia Register Form, Style, and Procedure Manual*.

Brief summary

In a short paragraph, please summarize all substantive provisions of new regulations or changes to existing regulations that are being proposed in this regulatory action.

The purpose of the proposed action is to make modifications to the current Child Care Subsidy Program to facilitate the development and implementation of a statewide child care automation system, and to expedite the automation process by ensuring uniform statewide child care guidance. Uniform and consistent alignment of statewide guidance is critical in the development of statewide program automation.

Proposed changes include: new requirements for vendors: limitation on fees and rates paid by the program; a requirement for applicants to be at least 18 years of age; a requirement for both applicants and recipients to cooperate with the Division of Child Support Enforcement (DCSE) as a condition of eligibility; a requirement that appellants refund the cost of services paid during the appeals process when the local department's decision is upheld; decrease in the time allowed for processing applications; use of the Administrative Disqualification Hearing process to hear certain cases of alleged recipient fraud; establishment of a time limitation for receipt of benefits in the Fee Program; and a change to require that overpayments caused as a result of a local department error be repaid to the Department with local funds.

Acronyms and Definitions

Please define all acronyms used in the Agency Background Document. Also, please define any technical terms that are used in the document that are not also defined in the "Definition" section of the regulations.

ADH: Administrative Disqualification Hearing
CCDF: Child Care and Development Fund
DCSE: Division of Child Support Enforcement
IPV: Intentional Program Violation
SNAP: Supplemental Nutrition Assistance Program
SNAPET: SNAP Employment and Training Program

Legal basis

Please identify the state and/or federal legal authority to promulgate this proposed regulation, including (1) the most relevant law and/or regulation, including Code of Virginia citation and General Assembly chapter number(s), if applicable, and (2) promulgating entity, i.e., the agency, board or person. Describe the legal authority and the extent to which the authority is mandatory or discretionary.

Statutory authority is the federal Child Care and Development Block Grant of 1990 as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193) and the Balanced Budget Act of 1997 (Public Law 105-33), as implemented in regulation at 45 CFR Parts 98 and 99. Also, authority comes from the Food Stamp Act of 1977, as amended through PL 108-269.

State authority comes from §§ 63.2-217, 63.2-319, 63.2-510, 63.2-611, and 63.2-616 of the Code of Virginia. The State Board of Social Services has the authority to promulgate this regulation.

Purpose

Please explain the need for the new or amended regulation by (1) detailing the specific reasons why this regulatory action is essential to protect the health, safety, or welfare of citizens, and (2) discussing the goals of the proposal, the environmental benefits, and the problems the proposal is intended to solve.

There is currently no statewide automation to support the Child Care Subsidy Program. In addition, program guidance currently allows some options for local department administration. These two factors have resulted in a number of variations in local program operations across the state. The proposed amendments will enable the department to initiate the changes necessary to develop a statewide automated program and manage child care providers across the state. An automated program will insure consistent application of program guidance regardless of the locality in which a client lives. State management of child care providers will assure both parents and providers of consistent application of policy and procedures regardless of the locality in which they live and do business. State management will provide a single point of contact for child care providers.

The regulation is essential to protecting the health, safety, and welfare of citizens by providing financial assistance for eligible families to help pay the cost of child care so they can work or attend child care programs.

Substance

Please briefly identify and explain new substantive provisions (for new regulations), substantive changes to existing sections or both where appropriate. (More detail about all provisions or changes is requested in the "Detail of changes" section.)

A change is proposed to require that all vendors sign and comply with the terms of their vendor agreement including payment processes, holiday schedules, absence policy, and attendance tracking. This change is necessary in order for vendors to be eligible to participate in the Child Care Subsidy Program and receive payment for their services, and to assure consistent statewide procedures.

A change will require that, in order to participate in the Child Care Subsidy Program, vendors must have a working telephone on site wherever care is provided. This change is necessary for both the health and safety of children and for participation in a new, centralized payment process for vendors.

A change is proposed to cap subsidy payments for care of children with special needs in order to bring consistency to such payments and to permit programmatic oversight of costs.

A change will allow payment of one annual registration fee to be paid to a child care provider for a child eligible for subsidized child care if the provider charges such a fee to the public. A limitation on payment of registration fees will result in more funding available to assist eligible families.

A change is proposed to eliminate payment of activity fees charged by providers. Elimination of payment of activity fees will result in more funding available to assist eligible families.

A change is proposed to require that applicants for child care be at least 18 years of age. This will insure that the contractual obligation of parents to pay a portion of their child care costs can be enforced.

A change is proposed to require that all applicants and recipients cooperate with DCSE as a condition of eligibility for the Child Care Subsidy Program. Cooperation with DCSE will result in additional support and services for families.

A change is proposed to require that an appellant repay the amount of all child care payments made on behalf of the family during an appeal process if the action of the local department of social services is upheld by a Hearings Officer.

A change is proposed to require that applications for child care assistance be processed within 30 days. This change from 45 days to 30 days will result in more timely eligibility determination for assistance.

A change is proposed to limit receipt of child care assistance to 72 months per family. This change will bring consistency to the program statewide since time limitation on receipt of benefits had previously been an option for local departments. A 72 month lifetime limit for receipt of child care assistance will allow the program to serve more families.

A change is proposed to initiate an Administrative Disqualification Hearing process to review allegations of Intentional Program Violations made against a client when the Commonwealth's Attorney has determined that the case does not meet the criteria for prosecution.

A change will require that overpayments made as a result of a local department of social services error be repaid to the Department with local funds.

Issues

Please identify the issues associated with the proposed regulatory action, including:

- 1) the primary advantages and disadvantages to the public, such as individual private citizens or businesses, of implementing the new or amended provisions;*
- 2) the primary advantages and disadvantages to the agency or the Commonwealth; and*
- 3) other pertinent matters of interest to the regulated community, government officials, and the public.*

If the regulatory action poses no disadvantages to the public or the Commonwealth, please indicate.

The proposed amendments will provide the following advantages to families, local departments of social services, child care providers and the Department:

- Statewide automation will result in a more efficient and effective Child Care Subsidy Program, thereby providing more expedient receipt of services to families.
- Statewide automation will insure uniform application of policy and procedures across the state, which will decrease errors.
- State oversight and management of child care providers will assure families that child care providers have complied with all state requirements for program participation.
- State oversight will allow providers a single point of contact.
- Payments to child care providers will be processed more frequently.
- A cap on the amount a child care provider can charge for the care of children with special needs, limiting payment of registration fees, and eliminating payment of other fees charged by child care providers will result in program savings which can be used to assist more families.
- The recovery of payments made for services during an appeal process when a local departments' decision is upheld will result in the ability to serve more families.
- A shortened application processing time will result in more timely receipt of assistance to eligible families.
- Limiting receipt of child care assistance to 72 months for non-TANF families will allow more families to be served.
- Use of the Administrative Disqualification Hearing process rather than a lengthy and costly court process will result in program savings.
- The requirement that local departments repay the state with local-only funding when a local department error is discovered will result in CCDF savings and increased program integrity.

Issues that could be considered disadvantages to families are:

- The requirement that applicants be at least 18 years of age, which could affect less than 1% of applicants.
- A 72 month limitation, which could affect approximately 12% of families in the Fee Program.
- Appellants will be required to repay the amount of all payments made during the appeal process when a local department's decision is upheld.
- A cap on the amount that a provider can charge for care of children with special needs could decrease the number of child care providers willing to accept the approved rate.
- A requirement to cooperate with DCSE as a condition of eligibility could discourage some applicants.

Issue that could be considered a disadvantage to child care providers are:

- The requirement to have a working phone on-site could result in an additional expense to those providers who do not currently have one.
- A cap on the amount that a provider can charge for care of children with special needs could decrease the number of providers willing to participate in the program.

Requirements more restrictive than federal

Please identify and describe any requirements of the proposal, which are more restrictive than applicable federal requirements. Include a rationale for the more restrictive requirements. If there are no applicable federal requirements or no requirements that exceed applicable federal requirements, include a statement to that effect.

There are no requirements of the proposed amendments that exceed applicable federal requirements.

Localities particularly affected

Please identify any locality particularly affected by the proposed regulation. Locality particularly affected means any locality which bears any identified disproportionate material impact which would not be experienced by other localities.

The proposed amendments will be written into Child Care Subsidy Program guidance which is applicable to program operation for the entire state. No locality will be singularly affected by the proposed amendments.

Public participation

Please include a statement that in addition to any other comments on the proposal, the agency is seeking comments on the costs and benefits of the proposal and the impacts of the regulated community.

In addition to any other comments, the board/agency is seeking comments on the costs and benefits of the proposal and the potential impacts of this regulatory proposal. Also, the agency/board is seeking information on impacts on small businesses as defined in § 2.2-4007.1 of the Code of Virginia. Information may include 1) projected reporting, recordkeeping and other administrative costs, 2) probable effect of the regulation on affected small businesses, and 3) description of less intrusive or costly alternative methods of achieving the purpose of the regulation.

Anyone wishing to submit written comments may do so via the Regulatory Townhall website, www.townhall.virginia.gov, or by mail, email or fax to Mary Ward, Program Manager, Division of Child Care and Early Childhood Development, Virginia Department of Social Services, 801 E. Main Street, Richmond, VA 23129-2901. Written comments must include the name and address of the commenter. In order to be considered, comments must be received by the last date of the public comment period.

A public hearing will be held and notice of the public hearing may appear on the Virginia Regulatory Town Hall website (www.townhall.virginia.gov) and the Commonwealth Calendar. Both oral and written comments may be submitted at that time.

Economic impact

Please identify the anticipated economic impact of the proposed new regulations or amendments to the existing regulation. When describing a particular economic impact, please specify which new requirement or change in requirements creates the anticipated economic impact.

Projected cost to the state to implement and enforce the proposed regulation, including (a) fund source, and (b) a delineation of one-time versus on-going expenditures.	None
Projected cost of the new regulations or changes to existing regulations on localities.	None
Description of the individuals, businesses or other entities likely to be affected by the new regulations or changes to existing regulations.	The proposed amendments will result in greater program efficiency and improved business practices, which will benefit the client, local departments and child care vendors. A statewide automated system and state management of vendor contracts will result in

	<p>standardized program operations, thus insuring that policy and procedures are uniformly applied regardless of where the client or vendor may reside or do business.</p>
<p>Agency’s best estimate of the number of such entities that will be affected. Please include an estimate of the number of small businesses affected. Small business means a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.</p>	<p>Potentially, all Child Care Subsidy clients could be affected by at least one of the proposed amendments.</p> <p>120 local departments of social services will be affected by the proposed amendments.</p> <p>9,400 child care providers will be affected by the proposed amendments. The number that would qualify as a small business entity is unknown.</p>
<p>All projected costs of the <i>new regulations or changes to existing regulations</i> for affected individuals, businesses, or other entities. Please be specific and include all costs. Be sure to include the projected reporting, recordkeeping, and other administrative costs required for compliance by small businesses. Specify any costs related to the development of real estate for commercial or residential purposes that are a consequence of the proposed regulatory changes or new regulations.</p>	<p>There are no projected costs associated with the amended regulation for individuals, business, or other entities.</p>
<p>Beneficial impact the regulation is designed to produce.</p>	<p>The proposed amendments will allow the Department to operate a more efficient, streamlined program that will be consistent statewide. Statewide automation will relieve local staff of many of the tasks associated with caseload management, assist in eligibility determination and notifications to clients, allow more efficient time management, and provide more time for provision of family services. Automation will also result in a reduction in errors. In addition, local departments will be relieved of the responsibility for certification, contract management and payment of providers.</p> <p>An automated system will result in more timely receipt of services to clients, and will provide assurance that application of guidance and procedures will be consistent statewide, regardless of where a client may reside.</p> <p>Providers will benefit from the proposed amendments because state management of providers will ensure uniform, statewide policies and procedures for program participation, a single point of contact, and more frequent processing of invoices.</p>

Alternatives

Please describe any viable alternatives to the proposal considered and the rationale used by the agency to select the least burdensome or intrusive alternative that meets the essential purpose of the action. Also, include discussion of less intrusive or less costly alternatives for small businesses, as defined in §2.2-4007.1 of the Code of Virginia, of achieving the purpose of the regulation.

Without a regulatory change, the Department would be unable to address issues that exacerbate funding limitations, hamper statewide application of vendor requirements, allow applicants and recipients of Child Care to ignore other financial support that may be available, provide no alternative to the court system to deal with allegations of Intentional Program Violations against clients, and severely limit the Program’s ability to automate effectively.

Regulatory flexibility analysis

Please describe the agency’s analysis of alternative regulatory methods, consistent with health, safety, environmental, and economic welfare, that will accomplish the objectives of applicable law while minimizing the adverse impact on small business. Alternative regulatory methods include, at a minimum: 1) the establishment of less stringent compliance or reporting requirements; 2) the establishment of less stringent schedules or deadlines for compliance or reporting requirements; 3) the consolidation or simplification of compliance or reporting requirements; 4) the establishment of performance standards for small businesses to replace design or operational standards required in the proposed regulation; and 5) the exemption of small businesses from all or any part of the requirements contained in the proposed regulation.

The proposed amendments will allow the Department to streamline program operations, develop and implement a statewide automated system to support the Child Care Subsidy Program, improve customer service, and enhance health, safety and operational requirements for providers. Both families and providers will be assured that program policies and procedures will be applied consistently across the state.

Policies and licensing standards distinguish between requirements for providers based upon the type of child care services they offer, and therefore options and flexibility already exist for those who wish to provide child care services to clients of local departments of social services. We do, however, recognize that helping families afford quality child care provided in a safe environment is our first concern. For that reason we do not believe that there are any alternatives to promulgation of these regulations.

Public comment

Please summarize all comments received during the public comment period following the publication of the NOIRA, and provide the agency response.

Commenter	Comment	Agency response
Page Beatty & Gay Hitchcock Northern Virginia Association for the Education of Young Children Sandra Shuman Culpeper Board of Human Services Denise Walker	22VAC40-661-60.A. Child care for special needs children is very difficult for families to find and more expensive to provide. A cap on payments will further reduce the supply of care for children with special needs.	Board is proposing this amendment in order to bring consistency to the authorization and payment for care for children with special needs, and to permit programmatic oversight and control of costs.

<p>Healthy Culpeper</p> <p>Page Beatty & Gay Hitchcock Northern Virginia Association for the Education of Young Children</p> <p>Sandra Shuman Culpeper Board of Human Services</p> <p>Denise Walker Healthy Culpeper</p> <p>J. Glenn Hopkins Hopkins House</p> <p>Anne-Marie D. Twohie Fairfax County Department of Family Services</p>	<p>22 VAC40-661-70. A. Federal Child Care and Development Block Grant law does not require that applicants be at least 18 years of age.</p> <p>Guidance from the Office of Child Care suggests that states prioritize services to teen parents.</p> <p>Subsidies enable teen parents to complete their high school education, enter the workforce and become self-sufficient, thereby requiring fewer services from the state.</p> <p>Subsidy is a key component of the safety net that ensures that teen parents and their children are safe and well.</p> <p>To our knowledge, no court has ruled that parents under the age of 18 are ineligible to apply for or receive such assistance.</p>	<p>Federal regulations do not preclude states from requiring applicants to be at least 18 years of age. In Virginia, less than 1% of subsidy cases are headed by an individual under age 18.</p> <p>Teen parents are not identified as a priority group in the DSS State Plan.</p> <p>Parents are financially responsible for their minor children, and therefore the agency proposes to require that the parent of a minor in need of child care services make an application for the family.</p> <p>Eligible teen parents will continue to receive services provided in the Child Care Subsidy Program. This amendment is not intended to limit access to program services, but rather to insure that all applicants and recipients are of legal age and can be held accountable for the contractual obligations required in the Child Care Subsidy Program.</p> <p>This amendment is not based on a court decision, but is proposed to insure that parents assume financial responsibility for a minor child, regardless of whether that child has a child of his or her own, and that contractual obligations established by minor parents with child care providers can be enforced. Sixty percent of local departments that responded to a survey by the Virginia League of Social Service Executives supported the proposal.</p>
<p>Page Beatty & Gay Hitchcock Northern Virginia Association for the Education of Young Children</p> <p>Sandra Shuman Culpeper Board of Human Services</p>	<p>22 VAC 40-661-70A The change to require cooperation with the Division of Child Support Enforcement as a condition of eligibility would discourage families from making application and hurt enrollments in regulated early education</p>	<p>The DSS Office of Research and Planning reports that 60%-68% of families receiving subsidized child care are current or past TANF Program recipients, which requires cooperation with DCSE as a condition of eligibility. Support and services received</p>

<p>Denise Walker Healthy Culpeper</p> <p>J. Glenn Hopkins Hopkins House</p> <p>Anne-Marie D. Twohie Fairfax County Department of Family Services</p>	<p>programs.</p> <p>Parents may be afraid to register with DCSE. Language and cultural barriers may impede a client’s ability to comply.</p> <p>This requirement could change relationships where issues of support have already been worked through amicably.</p> <p>Establish a work group to identify strategies for encouraging families to register with DCSE rather than making it a condition of eligibility.</p>	<p>from DCSE will benefit families until a child reaches the age of 18, while eligibility for Child Care subsidy ends at age 13 for most children.</p> <p>Guidance will be written to allow a claim of good cause when a basis exists to substantiate such a claim.</p> <p>DCSE establishes paternity and support orders in cases in which this has not occurred, thereby providing legal protection for a child regardless of the relationship between the parents.</p> <p>A survey conducted by the Virginia League of Social Services Executives showed that 89% of local departments that responded supported the proposed amendment. Child support income and services provide a much needed resource for single parents. Additional income for applicants and recipients will result in CCDF savings, thus enabling the Program to serve a greater number of families.</p>
<p>Page Beatty & Gay Hitchcock Northern Virginia Association for the Education of Young Children Sandra Shuman Culpeper Board of Human Services</p> <p>Denise Walker Healthy Culpeper</p> <p>J. Glenn Hopkins Hopkins House</p> <p>Anne-Marie D. Twohie Fairfax County Department of Family Services</p>	<p>22VAC40-661-70 G. A five-year limit will adversely affect families with more than one child. This will undermine investments made to promote self-sufficiency, resulting in increased need for other types of government assistance.</p> <p>Quality early childhood and school-age care can help narrow the achievement gap for low income and minority students. Income does not always increase sufficiently to cover child care costs. In Fairfax County, the cost of care for an infant is between 58% and 64% of the average annual income of a family receiving child care assistance.</p>	<p>The 60 month limitation on receipt of subsidized care will only apply to Fee Program cases, and only the months in which subsidy assistance is received will be counted. TANF families could receive approximately 8 years of assistance.</p> <p>A 60 month limitation will allow families time to access quality child care and benefit from early childhood programs during the important pre-school years, the period when child care is most expensive. Sixty months will allow parents time to adequately prepare to assume for the full costs of child care, if there are any, once assistance has ended. Even in families with multiple children, 60 months will most</p>

	<p>This could result in families using unsafe, unregulated child care. It could potentially increase CPS reports, crime reports, etc. and communities to create after school programs, potentially wasting the state funding offered to fund the prevention of latch key children.</p> <p>Allow local option.</p>	<p>likely provide time for the children to begin public school and require only before and/or after school care.</p> <p>Research conducted by the DSS Office of Research and Planning indicates that only about 12% of non-mandated families receive subsidy assistance for 48 months or more.</p> <p>Seventy-five percent of respondents to a survey conducted by the Virginia League of Social Service Executives supported the amendment.</p>
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Family impact

Please assess the impact of the proposed regulatory action on the institution of the family and family stability including to what extent the regulatory action will: 1) strengthen or erode the authority and rights of parents in the education, nurturing, and supervision of their children; 2) encourage or discourage economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one's spouse, and one's children and/or elderly parents; 3) strengthen or erode the marital commitment; and 4) increase or decrease disposable family income.

The Child Care Subsidy Program helps families to help themselves by assisting with the cost of child care so that parents can work, or go to school or training, thus enabling parents to work toward economic self-sufficiency. The Subsidy Program allows parents to make their own choices and decisions regarding the type of setting in which child care will be provided for their child, which can range from in home child care and family day home settings, to enrollment in a variety of infant, toddler and preschool programs. None of the amendments proposed will alter the ability of parents to make those choices, and actually will protect the rights of parents by insuring that policies for program operations and vendors will be applied uniformly, regardless of where they live. The proposed amendments will allow more parents to be eligible for child care services. Subsidized child care provides relief with the high cost of child care for low income families. The proposed amendment to require parents to cooperate with the Division of Child Support Enforcement will likely result in additional income to families who are in need of public assistance.

Detail of changes

Please list all changes that are being proposed and the consequences of the proposed changes. If the proposed regulation is a new chapter, describe the intent of the language and the expected impact if implemented in each section. Please describe the difference between the requirements of the new provisions and the current practice or if applicable, the requirements of other existing regulations in place.

If the proposed regulation is intended to replace an emergency regulation, please list separately (1) all provisions of the new regulation or changes to existing regulations between the pre-emergency regulation

and the proposed regulation, and (2) only changes made since the publication of the emergency regulation.

Current section number	Proposed new section number, if applicable	Current requirement	Proposed change, rationale, and consequences
10		Provides definitions of the terms used in the regulation	<p>Adds a definition for Administrative Disqualification Hearing.</p> <p>Adds a definition for cooperation with the DCSE.</p> <p>Adds a definition for DCSE.</p> <p>Adds a definition for Fee child care.</p> <p>Deletes the definition for the Food Stamp Education and Training program (FSET) because of the program’s name change.</p> <p>Amends the definition of “good cause” to clarify that parents must provide an acceptable reason as to why child care assistance is needed when there are two parents in a household.</p> <p>Adds a definition for “in loco parentis.”</p> <p>Adds a definition for Intentional Program Violation.</p> <p>Adds a definition for level two provider.</p> <p>Adds a definition for noncooperation with the DCSE.</p> <p>Adds a definition for provider.</p> <p>Adds a definition for the Supplemental Nutrition Assistance Program (SNAP), formerly known as the former Food Stamp Program. All references to Food Stamps have been changed to SNAP throughout the regulation.</p> <p>Adds definition for Supplemental Nutrition Assistance Program Employment and Training (SNAPET), the former FSET Program. All references to FSET have been changed to SNAPET throughout the regulation.</p> <p>Deletes the specific reference to the TANF and income eligible programs in the</p>

			<p>definition of that Subsidy program.</p> <p>Adds definition for provider.</p>
30		Describes the Fee program.	<p>Language added to clarify that the Fee program is a category of Subsidized Child Care available to low income families who are not receiving TANF, not in the Head Start Program, and who meet the eligibility criteria.</p> <p>Replaces "Food Stamp" with SNAP; replaces FSET with SNAPET.</p>
40		<p>A. Describes how income eligibility will be determined.</p> <p>B. Establishes parental responsibility for co-payment of child care, and defines parameters' for co-payments.</p> <p>C. Allows local option to limit receipt of Child Care to five years.</p> <p>D. Requires local departments to establish waiting lists policy.</p>	<p>Deletes the list of specific incomes to be disregarded in the determination of income eligibility; adds language to say that certain incomes will be disregarded.</p> <p>Replaced FSET with SNAPET.</p> <p>Deleted this subsection and moved it to 22 VAC 40-661-70 G. Case management.</p> <p>Deleted this subsection and moved it to 22 VAC 40-661-70 H. Case management.</p>
57	<p>D. Requires vendor agreements</p> <p>E. Requires vendors to have a telephone</p>	C. Describes training requirements for providers.	<p>Changes "department" to "Department."</p> <p>Deletes language that states that provider training will be available for a cost of \$20; added "nominal fee."</p> <p>Adds a requirement for all child care providers to sign a Department approved agreement.</p> <p>Adds a requirement for all child care provides to have a working telephone at each site at which child care is provided.</p>
60		<p>A. 2. Payments for care of children with special needs.</p> <p>C. Registration fees</p>	<p>Establishes a maximum reimbursable rate for care of children with special needs.</p> <p>Added language to say that registration fees will be paid to level two providers only and limits the amount.</p> <p>Deletes language allowing payment of other fees.</p>
22 VAC 40-661-70		A. Case management	Added language to require cooperation with DCSE as a condition of eligibility unless good cause exists for failure to do so.

		<p>C. Due process</p> <p>E. Beginning date of service 1. 2. and 3.</p> <p>G. Termination</p> <p>H. Waiting list</p>	<p>Added language to state that a client's eligibility status is protected through the appeals process until a Hearings Officer renders a finding.</p> <p>Added language to require that the client repay the amount paid in services during the appeals process when the decision of the local department is upheld by the Hearings Officer.</p> <p>Change d time allowed for processing applications from 45 days to 30 days.</p> <p>Adds a 72 month limitation for receipt of assistance for Fee Program participants.</p> <p>New section to add requirement for local departments to have an approved Waiting List policy. This section was moved from 22 VAC 40-661-40, State income eligible scale and copayments.</p>
22 VAC 40-661-80		<p>A. 1. Fraud</p> <p>A. 2 Disqualification</p> <p>C. Nonfraud overpayment.</p>	<p>Adds language to state that the results of fraud investigations will determine if case will be referred for fraud prosecution or an Administrative Disqualification Hearing.</p> <p>Adds that a finding of an Intentional Program Violation will result in program disqualification</p> <p>Deletes this subsection. The subsection has been moved to 22 VAC 40-661-100, Administration.</p>
	100		<p>Adds language that neither parents nor providers will be disqualified from program participation as long as a repayment schedule is entered into and payments made according to schedule.</p> <p>Adds language to require that local departments repay the Department for any overpayments made as a result of the local department's error, using local only funds.</p>
	n/a		<p>Eight new forms will be used in conjunction with the amended regulation. They pertain to DCSE and Intentional Program Violation.</p>